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FISCAL IMPACT STATEMENT

LS 7110

BILL NUMBER: SB 1

NOTE PREPARED: Jan 25, 2010

BILL AMENDED: Jan 25, 2010

SUBJECT: Boards and Commissions.

FIRST AUTHOR: Sen. Dillon

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

It moves the functions of the Athletic Commission to the Gaming Commission.

It transfers the duties of the Home Health Care Services and Hospice Services Council to the Health Facilities Council. It also renames the Indiana Health Facilities Council as the Indiana Health Facilities, Home Health Care, and Hospice Council, and it changes the members of the Council.

It makes the Horse Racing Commission responsible for functions previously performed by the Quarter Horse Breed Development Advisory Committee, the Standardbred Advisory Board, the Standardbred Breed Development Advisory Committee, and the Thoroughbred Breed Development Advisory Committee.

It eliminates the Law Enforcement Training Board Advisory Council.

It repeals the Personnel Board (IC 4-15-1, IC 5-15-2-2.2, and IC 4-15-2.5-2); the Quarter Horse Breed Development Advisory Committee and the Standardbred Advisory Breed Development Advisory Committees (IC 4-31-11-1 through IC 4-31-9); the Standardbred Advisory Board, the Thoroughbred Breed Development Advisory Committee (IC 15-19-2-1, IC 15-19-2-2, IC 15-19-2-3, IC 15-19-2-4, and IC 15-19-2-5); the Athletic Commission (IC 25-9-1); the Transportation Corridor Planning Board (IC 8-4.5-1-3 and IC 8-4.5-2); the Motor Vehicle Sales Advisory Board (IC 9-23-1); Operation Lifesaver Program (IC 9-27-2-12); the Medicaid Work Incentive Council (IC 12-15-42); the New Harmony Commission (IC 14-20-4); the Soldiers' and Sailors' Children's Home Advisory Committee (IC 16-19-6-9); the Home Health Care Services and Hospice Services Council (IC 16-27-0.5); the Radiation Control Advisory Commission (IC 16-41-35-2, IC

16-41-35-16, IC 16-41-35-17, and IC 16-8-2-9); and the Mandated Health Benefits Task Force (IC 27-1-3-30). It makes conforming changes.

Effective Date: July 1, 2010.

Explanation of State Expenditures: (Revised) Appropriations for salary per diem, travel, and other reimbursement or expenses would revert to state funds or would not be budgeted. Additionally, state officers and agencies may provide assistance to some of these entities, resulting in cost or labor savings to the extent that agency positions devoted to staffing boards, commissions, and committees could be eliminated or reassigned to other functions. Cost savings for these functions are estimated to be between \$41,500 and \$60,000 for the 16 boards, committees, commissions, and councils eliminated by this bill. However, no cost savings would result if the entity has not met, had a budget, or required staff services. Most of the terminated entities are funded with state General Fund dollars, but some receive funds from dedicated sources.

[Note: To calculate the cost savings, the statutory minimum number of meeting was used or four meetings a year was substituted when the number was unknown. A cost of \$100 per member was used to stand in for salary per diem, travel, or other reimbursement. Currently, for executive committee meetings, the salary per diem for lay members is \$50 and the travel reimbursement is \$0.40 per mile. State employees receive up to \$97 for lodging.]

(Revised) Additionally, the bill adds one member to the renamed Indiana Health Facilities, Home Health Care, and Hospice Council. The Council is required to meet at least six times a year. The composition of the Council changes under the bill as well.

(Revised) **Additional Information:** The bill specifically enumerates 16 boards, commissions, committees, or councils that terminate on July 1, 2010. Four of the entities' duties are transferred to other existing entities.

The most frequent and single expense of the terminated entities is salary per diem and traveling expense reimbursement, which is provided based on the member being a state employee or, in some cases, a state legislator. The number of members ranges from 3 to 16, with the average number of members being 9.

Using the criteria that the appointing authority for the committee members establishes the control of the entity, it is estimated that all the entities are executive committees. Some members of the entity may be appointed by statute as a function of position, but other members of the entity are appointed by the Governor.

Most of the entities are advisory in responsibility. However, some of the terminated entities oversee funds for specific purposes or may adopt rules.

Explanation of State Revenues: *Breed Development Funds:* The breed development funds are established and administered by the Indiana Horse Racing Commission. After considering recommendations by the breed advisory board or committee, the Commission may distribute money in the fund to supplement a purse for a race at a county fair or agricultural exposition in Indiana. The funds consist of breakages and outs paid into the fund, appropriations by the General Assembly, gifts, stakes payments, entry fees, and money paid into the funds from admission taxes. Under the bill, the advisory board or committee would be eliminated.

[On June 30, 2009, the Quarter Horse Development Fund had assets of \$1.2 M, the Thoroughbred Development Fund had assets of \$8.3 M, and the Standardbred Development Fund had assets of \$11.6 M.]

Athletic Commission Fund: The bill eliminates the Athletic Commission Fund, which is administered by the Indiana Gaming Commission, and establishes the Athletic Fund, also to be administered by the Indiana Gaming Commission. [On January 12, 2010, the Athletic Commission Fund had assets of \$16,000.]

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Several.

Local Agencies Affected:

Information Sources:

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